



DEPARTMENT OF THE NAVY

NAVAL SEA SYSTEMS COMMAND
1333 ISAAC HULL AVE, SE
WASHINGTON NAVY YARD, DC 20376-0001

J&A No: 20,871

Code: 02234

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Date: 23 January 2013

LIMITED SOURCE JUSTIFICATION

Upon the basis of the following justification I hereby approve, as the Designee of the Head of the Procuring Agency the proposed order described below using limited sources pursuant to the authority of 10 U.S.C. 2304c(b)(2).

1. Identification of agency and contracting activity.

The Naval Sea Systems Command, Shipbuilding Contracts Division (SEA 022).

2. Nature/Description of Action Being Approved.

Award of a delivery order, on a limited source basis, against General Services Administration Federal Supply Service Schedule Contract No. GS-35F-0067X to provide administration, maintenance, and support services for DDG 1000 Class Integrated Data Environment (IDE) requirements, including associated Computer-Aided Design (CAD) operation and maintenance, without providing fair opportunity for other awardees to be considered. These services will be procured from ForeThought, Inc. (ForeThought), 28 Sugar Ridge Lane, Malvern Pennsylvania.

3. Description of Supplies/Services.

Administration, maintenance, and support services for the DDG 1000 IDE include, but are not limited to, development, delivery, review and storage of programmatic and technical data, including CAD operation and maintenance. DDG 1000 ships were designed in the CATIA model communicated via the IDE. The tool serves as the principle means of communications throughout the national team of DDG 1000 designers and the Navy. ForeThought is currently providing Services under GSA contract GS-35F-0067X. The order for these services was awarded on 23 September 2011 and will expire on 31 January 2013. Continuation of these services is required through [REDACTED] However, the GSA Contract under which this action will be awarded expires on 9 November 2015. The order will include a base period of performance of one year with two calendar-year options through 31 October 2015. The estimated value and funding required to support these efforts are as follows:

(\$M)					
	FY13	FY14	FY15	FY16	Total
SCN	[REDACTED]				\$9.80

The Government's minimum needs have been verified by the certifying technical and requirements personnel. This acquisition is to satisfy the requirements of the DDG 1000 Program Manager, PMS 500. This Justification does not authorize acquisition for other requirements.

4. Authority Permitting Consideration of Limited Sources.

This acquisition is conducted under the authority of the 41 U.S.C. 253j, 10 U.S.C. 2304c(b)(2); Federal Acquisition Regulation (FAR) 8.405-6(a)(1)(i)(B) and FAR 16.505(b)(2)(i)(B) (Only one source/awardee is capable of providing the supplies or services required at the level of quality required because the supplies or services are unique or highly specialized).

5. Rationale Justifying Use of Cited Authority.

FAR 8.405-6(a)(1)(i)(B) and FAR 16.505(b)(2)(i)(B) allow an agency to restrict consideration of all multiple award task or delivery order contractors when only one source is capable of providing the supplies or services required at the level of quality required because the supplies or services are unique or highly specialized.

The DDG 1000 IDE was developed as a complex open architected environment based on extensive Navy specifications/requirements. It is a unique one-of-a-kind environment that has been developed over a period of ten (10) years using diverse tools, processes, software development languages, licenses, configurations, and networks that are linked, interfaced, and integrated to perform unique acquisition and life cycle support capabilities. Under NAVSEA Contract N00024-06-C-2304 with Huntington Ingalls Shipbuilding (formerly Northrop Grumman Shipbuilding, Inc.), ForeThought, Inc. served as the subcontractor providing administration, maintenance, and support services for the DDG 1000 IDE.

This complex environment provides classified and unclassified computing and data storage (with secure access and retrieval) while performing strict configuration and data management functions. Significant management and security protocols, user permissions, and network service provider agreements are currently in place which would need to be reestablished if another source was put in place to manage, administer, maintain, and support this environment. The DDG 1000 IDE must at all costs be managed, administered, maintained, and supported daily, without interruption, in order to support program management, design, construction, and life cycle support activities. Due to the unique nature of industry partnership relationships and interdependencies, ForeThought maintains a Service Level Agreement (SLA) providing specialized support services to keep the IDE on-line and functional for all program users 99.8% of standard operating hours.

Various software licenses agreements are in place at a reduced rate through the relationship developed between ForeThought and its subcontractor [REDACTED]. If moved to another service supplier, these licenses would take months to renegotiate, causing all program data to be inaccessible, and incurring additional programmatic cost and schedule delay.

To reconstitute the DDG 1000 IDE functionality with another source would cost an estimated [REDACTED] based on the development costs incurred over the last 10 years. The wide area network would have to be re-established, classified systems would have to be relocated, and a new Authority to Operate would have to be established with the Defense Security Service (DSS) and the Navy. Additionally, cost and schedule delays would be incurred in transferring the existing >1.8 terabytes of data for the current program to a new IDE; estimates of these costs range between [REDACTED] based on the man-hours and technical skills required. Further, ForeThought developed a unique custom code within the DDG 1000 IDE which provides the relational basis for the ship data. Utilization of a different source would require redevelopment and reprogramming of the full IDE.

ForeThought's development of the relational database code and the company's knowledge, resources and expertise are critical to successfully maintain an IDE for critical program baselines, Program Risk, Program Milestone Reviews, quality CDRL submittals, configuration control of all design artifacts, comprehensive Program collaboration, ships configuration, and vital Program history of all design changes.

ForeThought's experience, knowledge base, and resources are required in order to accomplish the IDE tasks, avoid unacceptable Program impact during the design, construction and life cycle support activities, and to successfully meet program requirements. These tasks could not be performed by any other contractor during this timeframe due to the amount of time (estimated at 6 months to a year) required to compete, educate, train, and transfer this environment; nor could it be accomplished within the Programmatic budget allocated for this support.

No other contractor has the knowledge with the vast array of skills to perform the required functions keeping the environment fully functional twenty-four hours a day, seven days a week. No other contractor can provide the required maintenance without unacceptable delays to the DDG 1000 Shipbuilding Program and significant duplication of costs, which will not be recovered through competition.

The requirement for IDE services remains until [REDACTED]

[REDACTED] No further requirements for this service will exist once [REDACTED]
The remaining period of performance in question would not allow sufficient time for the program to recoup the start-up cost, schedule impact, and overall programmatic execution risk required to solicit and award to a source other than ForeThought, Inc.

6. Description of Market Research.

FAR 8.404(a) does not require a pre-award synopsis as this acquisition is a fixed price order against a GSA schedule. Market research was not conducted because no other contractor can provide the services required for the reasons described in paragraph 5.

7. Determination of Best Value

In accordance with FAR 8.404(d), a separate determination of fair and reasonable pricing is not

required. The Contracting Officer has determined that the order represents the best value and results in the lowest overall cost alternative to meet the Government's needs.

8. Actions to Remove Barriers to Competition.

No action required at this time. The types of services covered by this contract are only required through [REDACTED] NAVSEA has no plans to award future contracts after [REDACTED] for the types of supplies/services covered by this document. For the reasons set forth in Paragraph 5, currently ForeThought is the only source that can provide the required services. However, should [REDACTED] not occur prior to [REDACTED] an evaluation of potential competitive sources will be conducted at that time.

TECHNICAL/REQUIREMENTS CERTIFICATION (FAR 8.405-6(c)(2)(x))

I certify that the facts and representations under my cognizance, which are included in this justification and its supporting acquisition planning data, except as noted herein, are complete and accurate to the best of my knowledge and belief.

Technical Cognizance:

[REDACTED]

Requirements Cognizance:

[REDACTED]

REVIEW FOR LEGAL SUFFICIENCY

This justification is determined legally sufficient.

[REDACTED]

CONTRACTING OFFICER CERTIFICATION (FAR 8.405-6(c)(2)(ix))

I certify that this justification is accurate and complete to the best of my knowledge and belief.

[REDACTED]

APPROVAL BLOCK (FAR 8.405-6(d)(3) for Approving Official)

Upon the basis of the above justification, I hereby approve, as Designee of the Head of the Procuring Activity the solicitation of the proposed order described herein restricting consideration to a limit source, pursuant to the authority of 41 U.S.C. 253j, 10 U.S.C. 2304c(b)(2), FAR 8.405-6(a)(1)(i)(B) and FAR 16.505(b)(2)(i)(B).

[REDACTED]

Michael Gutermuth,

[REDACTED]

Name and Title

Code

Phone

Date

1/25/2013